DAVID B. STURLESE

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October 4, 2004

COMMISSIONER OF CONSERVATION HONORABLE JAMES H. WELCH P. O. BOX 94275 BATON ROUGE LA 70804

RE: SUB ALLIANCE 5 SAND, RESERVOIR A, SUA SOUTHWEST GUEYDAN FIELD VERMILION PARISH, LA

Dear Commissioner Welch,

Application is hereby made on behalf of POTIER, et al to the Commissioner of Conservation for the calling of a public hearing, after legal notice, to consider evidence relative to the issuance of orders pertaining to the following matters relating to the Sub Alliance 5 Sand, Reservoir A, in the Southwest Gueydan Field, Vermilion Parish, Louisiana.

- 1. To establish rules and regulations and to create a single drilling and production unit for the exploration for and production of gas and condensate from the Sub Alliance 5 Sand, Reservoir A, in the Southwest Gueydan Field, Vermilion Parish, Louisiana, said unit to be designated Sub All 5 RA SUA, as shown on the plat attached hereto and made a part hereof.
- 2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed unit with each tract sharing in unit production on a surface acreage basis of participation.
- 3. To designate a unit operator and a unit well for the unit so created.
- 4. To provide that any wells drilled to the Sub Alliance 5 Sand, Reservoir A shall be located in accordance with the spacing provisions of Statewide Order No. 29-E.
- 5. To provide that the Commissioner may reclassify the reservoirs by Supplemental Orders without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished by the Commissioner.

6. To discuss any other matters that may be pertinent to this application.

The Sub Alliance 5 Sand, in the Southwest Gueydan Field, is hereby defined as that gas and condensate bearing sands encountered between the depths of 13024'—13082' electric log measured in the Cimarex Energy Co. Henry Heirs No. 1 well, located in Section 21, Township 12 South, Range 2 West, Vermilion Parish, Louisiana.

In compliance with the Rules of Procedure for Conducting Hearings Before the Commissioner of Conservation of the State of Louisiana, a pre-application conference was held in Lafayette, Louisiana on October 4, 2004. Attached hereto and made a part hereof are lists of the names and addresses of the parties who were in attendance at those conferences.

Mr. David B. Sturlese who presented the plan of applicant opened the conference. Mr. Louis Guilbert on behalf of Cimarex presented a counterplan. In addition, Mr. Frank Harrison representing the Stelly/Faulk families also presented a counterplan, as did Mr. David Comeaux representing BSS Energy, LLC. It is anticipated that there will be opposition at the public hearing on this matter.

All pertinent data relating to the subject application can be obtained <u>AT THE COST OF THE REQUESTING PARTY</u>, from David Sturlese, P. O. Box 51405, Lafayette, LA 70505, (337) 232-1700.

There are attached hereto and made a part hereof, plats outlining the proposed unit. Pursuant to the Revised Rules of Procedure, a list of the names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished **ONLY** to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list of parties will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure. Also enclosed is our check made payable to the Office of Conservation, representing the required hearing application fee.

Sincerely,

DAVID B. STURLESE

enclosures

cc: Mr. Richard Hudson, Department of Conservation

825 Kaliste Saloom Rd., Brandiwine III Suite 220, Lafavette, LA 70508

Interested Parties, Interested Owners and Represented Parties

